S. 510

To reduce and eliminate electronic waste through recycling.

IN THE SENATE OF THE UNITED STATES

March 3, 2005

Mr. Wyden (for himself and Mr. Talent) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To reduce and eliminate electronic waste through recycling.

1	Be it enacted by the Senate and House of Representa-
2	tives of the United States of America in Congress assembled,
3	SECTION 1. SHORT TITLE.
4	This Act may be cited as the "Electronic Waste Recy-
5	cling Promotion and Consumer Protection Act".
6	SEC. 2. FINDINGS.
7	Congress finds that—
8	(1) the National Safety Council estimates
9	that—
10	(A) in 2003, over 60,000,000 personal
11	computers became obsolete and between 1997

1	and 2007 more than 500,000,000 computers
2	will need to be discarded; and
3	(B) at an average weight of 70 pounds,
4	this will result in over 6,300,000,000 pounds of
5	plastic and 1,600,000,000 pounds of lead added
6	to the supply of waste needing to be managed;
7	(2) according to the Environmental Protection
8	Agency—
9	(A) a computer monitor or television set
10	generally contains 4 to 8 pounds of lead;
11	(B) mercury, cadmium, and other heavy
12	metals are generally used in such equipment as
13	well; and
14	(C) households and businesses in the
15	United States often do not discard older com-
16	puters and televisions when buying newer
17	versions of the same products;
18	(3) according to experts, the average household
19	may have between 2 and 3 older computers and tele-
20	visions in storage, and approximately 20,000,000 to
21	24,000,000 computers and televisions are placed in
22	storage each year;
23	(4) according to the Environmental Protection
24	Agency, discarded computer, television, and other
25	electronic equipment—

1	(A) when not discarded in large quantities,
2	is currently managed in most States as munic-
3	ipal solid waste, just like ordinary trash; and
4	(B) constitute 40 percent of the lead and
5	70 percent of the heavy metals that are found
6	in landfills and, if not handled properly, can be
7	released into the environment, contaminating
8	air and groundwater and posing a significant
9	threat to human health, including potential
10	damage to kidney, brain, and nervous system
11	function, and cancer in cases of excessive expo-
12	sure;
13	(5) materials used in computers, televisions,
14	and similar electronic products can be recovered
15	through recycling, which conserves resources and
16	minimizes the potentially harmful human and envi-
17	ronmental health effects of those materials; and
18	(6) establishing a nationwide infrastructure for
19	electronic waste recycling will—
20	(A) facilitate access of people in the United
21	States to recycling services; and
22	(B) improve the efficiency and use of elec-
23	tronic waste recycling.
24	SEC. 3. DEFINITIONS.
25	In this Act:

	-
1	(1) Administrator.—The term "Adminis-
2	trator" means the Administrator of the Environ-
3	mental Protection Agency.
4	(2) CATHODE RAY TUBE.—The term "cathode
5	ray tube" means a vacuum tube used to convert an
6	electronic signal into a visual image, for use in a
7	computer monitor, television, or other piece of elec-
8	tronic equipment.
9	(3) Computer.—
10	(A) IN GENERAL.—The term "computer"
11	means an electronic, magnetic, optical, electro-
12	chemical, or other high speed data processing
13	device that performs logical, arithmetic, or stor-
14	age functions.
15	(B) Exclusions.—The term "computer"
16	does not include an automated typewriter or
17	typesetter, video game console, portable hand
18	held calculator, personal digital assistant, cel-
19	lular telephone, or other similar device.
20	(4) Consumer.—The term "consumer"
21	means—
22	(A) an occupant of a single, detached
23	dwelling unit or a single unit of a multiple

24

dwelling unit who—

1	(i) has used a computer monitor, a
2	television, or another piece of electronic
3	equipment that contains a display screen
4	or a system unit; and
5	(ii) used the equipment described in
6	subparagraph (A) at the dwelling unit of
7	the occupant; and
8	(B) a commercial, educational, or other en-
9	tity that discarded for recycling not more than
10	20 display screens or system units per year dur-
11	ing the previous 5 years.
12	(5) DISPLAY SCREEN—
13	(A) IN GENERAL.—The term "display
14	screen" means a cathode ray tube, flat panel
15	screen, or other similar video display device
16	with a screen size of greater than 4 inches,
17	measured diagonally.
18	(B) Exclusion.—The term "display
19	screen" does not include commercial or indus-
20	trial equipment, or household appliances, that
21	contain—
22	(i) a cathode ray tube;
23	(ii) a flat panel screen; or
24	(iii) another similar video device.

1	(6) Hazardous waste.—The term "hazardous
2	waste" has the meaning given the term in section
3	1004 of the Solid Waste Disposal Act (42 U.S.C.
4	6903).
5	(7) Recycle—The term "recycle" means the
6	performance of a process by 1 or more persons by
7	which a display screen or a system unit is—
8	(A) sorted;
9	(B) if necessary, transported;
10	(C) to the maximum extent practicable
11	separated to recover any component or com-
12	modity inside the display screen or system unit
13	that can be reduced to raw materials or prod-
14	ucts; and
15	(D) treated such that any remaining mate-
16	rial is disposed of properly and in an environ-
17	mentally sound manner consistent with the
18	Solid Waste Disposal Act (42 U.S.C. 6901 et
19	seq.).
20	(8) System unit.—The term "system unit"
21	means—
22	(A) the casing or portion of a computer
23	that contains the central processing unit, which
24	performs the primary quantity of data proc-
25	essing: and

	1
1	(B) the unit that, together with the mem-
2	ory, forms the central part of the computer, to
3	which peripheral devices may be attached.
4	(9) Universal waste.—The term "universal
5	waste" has the meaning given the term in the Envi-
6	ronmental Protection Agency Standards of Universal
7	Waste Management established under section 273 of
8	title 40, Code of Federal Regulations (and successor
9	regulations).
10	SEC. 4. CREDIT FOR RECYCLING ELECTRONIC WASTE.
11	(a) In General.—Subpart B of part IV of sub-
12	chapter A of chapter 1 of the Internal Revenue Code of
13	1986 is amended by adding at the end the following new
14	section:
15	"SEC. 30B. CREDIT FOR RECYCLING ELECTRONIC WASTE.
16	"(a) ALLOWANCE OF CREDIT.—In the case of an eli-
17	gible taxpayer, there shall be allowed as a credit against
18	the tax imposed by this chapter for the taxable year an
19	amount equal to \$8 per unit of qualified electronic waste
20	that is collected from consumers and recycled.
21	"(b) Eligible Taxpayer.—For purposes of this
22	section, the term 'eligible taxpayer' means any person
23	which—
24	"(1) collects from consumers and recycles, or

arranges for the recycling of, not less than 5,000

25

- units of qualified electronic waste during that person's taxable year,
- "(2) submits with the person's tax return documentation of the final destination of all units of electronic waste collected from consumers during the person's taxable year for the purpose of recycling, and
- 8 "(3) certifies that all reclamation and recycling 9 carried out by the person was performed by an eligi-10 ble recycler.
- 11 "(c) Definitions.—For purposes of this section—
- 12 "(1) QUALIFIED ELECTRONIC WASTE.—The 13 term 'qualified electronic waste' means any display 14 screen or any system unit.
- "(2) CONSUMER, DISPLAY SCREEN; RECYCLE;
 SYSTEM UNIT.—The terms 'consumer', 'display
 screen', 'recycle', and 'system unit' have the meaning given the terms by section 3 of the Electronic
 Waste Recycling Promotion and Consumer Protection Act.
- "(d) DISALLOWANCE OF CREDIT.—No credit shall be allowed under this section for recycling a unit of qualified electronic waste which is collected from a consumer in a State which has adopted and implemented a statewide program in accordance with State law which mandates or pro-

1	vides incentives for recycling electronic waste, including a
2	mandatory per-unit, upfront charge to consumers for the
3	purpose of recycling electronic waste.
4	"(e) Final Regulations.—
5	"(1) IN GENERAL.—Not later than the date
6	which is 180 days after the date of the enactment
7	of this section, the Secretary, after consultation with
8	the Administrator of the Environmental Protection
9	Agency, shall issue such final regulations as may be
10	necessary and appropriate to carry out this section.
11	"(2) Inclusion.—
12	"(A) In General.—Subject to subpara-
13	graph (B), the regulations issued under para-
14	graph (1) shall include—
15	"(i) requirements for certifying recy-
16	clers as eligible to recycle qualified elec-
17	tronic waste,
18	"(ii) requirements to ensure that all
19	recycling of qualified electronic waste is
20	performed in a manner that is safe and en-
21	vironmentally sound, and
22	"(iii) a provision which allows a tax
23	credit under this section to be shared by 2
24	or more eligible taxpayers, provided that
25	the total tax credit for a unit of electronic

1	waste	under	this	section	does	not	exceed
2	\$8.						

- 3 "(B) LIMITATION.—The Secretary shall 4 not certify a recycler as eligible under this sub-5 section unless the recycler is—
- 6 "(i) a taxpayer, or
- 7 "(ii) a State or local government.
- 8 "(f) Termination.—This section shall not apply
- 9 with respect to any unit of qualified electronic waste which
- 10 is recycled after the date which is 3 years after the date
- 11 on which the final regulations issued pursuant to subpara-
- 12 graph (e) take effect.".
- 13 (b) Conforming Amendment.—The table of sec-
- 14 tions for subpart B of part IV of subchapter A of chapter
- 15 1 of the Internal Revenue Code of 1986 is amended by
- 16 adding at the end the following new item:

"Sec. 30B. Credit for recycling electronic waste.".

- 17 (c) Effective Date.—The amendments made by
- 18 this section shall apply with respect to display screens and
- 19 system units recycled after the date on which the final
- 20 regulations issued pursuant to section 30B of subpart B
- 21 of part IV of subchapter A of chapter 1 of the Internal
- 22 Revenue Code of 1986 (as added by this section) take ef-
- 23 fect.

1	SEC. 5. CONSUMER CREDIT FOR RECYCLING ELECTRONIC
2	WASTE.
3	(a) In General.—Subpart A of part IV of sub-
4	chapter A of chapter 1 of the Internal Revenue Code of
5	1986 is amended by inserting after section 25B the fol-
6	lowing new section:
7	"SEC. 25C. CONSUMER CREDIT FOR RECYCLING ELEC-
8	TRONIC WASTE.
9	"(a) Allowance of Credit.—In the case of an eli-
10	gible consumer, there shall be allowed as a credit against
11	the tax imposed by this chapter for the taxable year an
12	amount equal to \$15 for the recycling of 1 or more units
13	of qualified electronic waste.
14	"(b) Eligible Consumer.—For purposes of this
15	section, the term 'eligible consumer' means any indi-
16	vidual—
17	"(1) with respect to whom a credit under this
18	section has not been allowed in any preceding tax-
19	able year, and
20	"(2) who submits with the individual's tax re-
21	turn such information as the Secretary requires to
22	document that each unit of qualified electronic waste
23	was recycled by a recycler certified by the Secretary
24	pursuant to subsection (d).
25	"(c) Definitions.—For purposes of this section—

1	"(1) QUALIFIED ELECTRONIC WASTE.—The
2	term 'qualified electronic waste' means any display
3	screen or any system unit.
4	"(2) Consumer, display screen; recycle;
5	SYSTEM UNIT.—The terms 'consumer', 'display
6	screen', 'recycle', and 'system unit' have the mean-
7	ing given the terms by section 3 of the Electronic
8	Waste Recycling Promotion and Consumer Protec-
9	tion Act.
10	"(d) Final Regulations.—
11	"(1) In general.—Not later than the date
12	which is 180 days after the date of the enactment
13	of this section, the Secretary, after consultation with
14	the Administrator of the Environmental Protection
15	Agency, shall issue such final regulations as may be
16	necessary and appropriate to carry out this section.
17	"(2) Inclusion.—
18	"(A) In general.—Subject to subpara-
19	graph (B), the regulations issued under para-
20	graph (1) shall include—
21	"(i) requirements for certifying recy-
22	clers as eligible to recycle qualified elec-
23	tronic waste, and
24	"(ii) requirements to ensure that all
25	recycling of qualified electronic waste is

performed in a manner that is safe and en-

2	vironmentally sound.
3	"(B) LIMITATION.—The Secretary shall
4	not certify a recycler as eligible under this sub-
5	section unless the recycler is—
6	"(i) a taxpayer, or
7	"(ii) a State or local government.
8	"(e) Termination.—This section shall not apply
9	with respect to any unit of qualified electronic waste which
10	is recycled after the date which is 3 years after the date
11	on which the final regulations issued pursuant to sub-
12	section (d) take effect.".
13	(b) Conforming Amendments.—
14	(1) Section 26(a)(1) of the Internal Revenue
15	Code of 1986 is amended by striking "and 25B"
16	and inserting "25B, and 25C".
17	(2) The table of sections for subpart A of part
18	IV of subchapter A of chapter 1 of such Code is
19	amended by inserting after the item relating to sec-
20	tion 25B the following new item:
	"Sec. 25C. Consumer credit for recycling electronic waste.".
21	(c) Effective Date.—The amendments made by
22	this section shall apply with respect to display screens and
23	system units recycled after the date on which the final
24	regulations issued pursuant to section 30B of subpart A
25	of part IV of subchapter A of chapter 1 of the Internal
	•S 510 IS

- 1 Revenue Code of 1986 (as added by this section) take ef-
- 2 fect.
- 3 SEC. 6. PROHIBITIONS OF DISPOSAL WITHOUT RECYCLING.
- 4 (a) DISPLAY SCREEN AND SYSTEM UNIT DISPOSAL
- 5 Ban.—
- 6 (1) In General.—Effective beginning on the 7 date that is 3 years after the date of enactment of 8 this Act, if the Administrator determines that a ma-9 jority of households in the United States have suffi-10 cient access to a recycling service for display screens 11 and system units, it shall be unlawful for the oper-12 ator of a landfill, incinerator, or any other facility 13 for the transfer, disposal, or storage of municipal 14 solid waste to knowingly receive from a consumer a 15 display screen or system unit, except for the purpose 16 of recycling or arranging for the recycling of the dis-17 play screen or system unit by a recycler certified as 18 an eligible recycler by the Administrator.
 - (2) PROCEDURES.—Not later than 180 days after the date of enactment of this Act, the Administrator shall develop and issue guidelines covering waste handlers and waste transfer stations to assist in developing recycling procedures for display screens and system units.

19

20

21

22

23

24

- 1 (3) Exemptions.—As part of the guidelines
- 2 issued pursuant to paragraph (2), the Administrator
- 3 shall classify display screens and system units as
- 4 universal waste and provide for the exemption of dis-
- 5 play screens and system units from the requirements
- of the Solid Waste Disposal Act (42 U.S.C. 6901 et
- 7 seq.) as necessary to facilitate the collection, storage,
- 8 and transportation of display screens and system
- 9 units for the purpose of recycling.
- 10 (b) Enforcement.—A violation of subsection (a) by
- 11 any person or entity shall be subject to enforcement under
- 12 applicable provisions of the Solid Waste Disposal Act (42
- 13 U.S.C. 6901 et seq.).
- 14 SEC. 7. RECYCLING OF DISPLAY SCREENS AND SYSTEM
- 15 UNITS PROCURED BY THE FEDERAL GOVERN-
- 16 MENT.
- 17 (a) Definition of Executive Agency.—In this
- 18 section, the term "executive agency" has the meaning
- 19 given the term in section 11101 of title 40, United States
- 20 Code.
- 21 (b) REQUIREMENT FOR RECYCLING.—The head of
- 22 each executive agency shall ensure that each display
- 23 screen and system unit procured by the Federal Govern-
- 24 ment—

1	(1) is recovered upon the termination of the
2	need of the Federal Government for the display
3	screen or system unit; and
4	(2) is recycled by a recycler certified as an eligi-
5	ble recycler by the Administrator through—
6	(A) a program established after the date of
7	enactment of this Act by the executive agency,
8	either alone or in conjunction with 1 or more
9	other executive agencies; or
10	(B) any other program for recycling or
11	reusing display screens and system units.
12	SEC. 8. NATIONWIDE RECYCLING PROGRAM.
13	(a) Study.—
14	(1) In general.—The Administrator, in con-
15	sultation with appropriate executive agencies (as de-
16	termined by the Administrator), shall conduct a
17	study of the feasibility of establishing a nationwide
18	recycling program for electronic waste that preempts
19	any State recycling program.
20	(2) Inclusions.—The study shall include an
21	analysis of multiple programs, including programs
22	involving—
23	(A) the collection of an advanced recycling
24	fee;
25	(B) the collection of an end-of-life fee;

1	(C) producers of electronics assuming the
2	responsibility and the cost of recycling elec-
3	tronic waste; and
4	(D) the extension of a tax credit for recy-
5	cling electronic waste.
6	(b) Report.—Not later than 1 year after the date
7	of enactment of this Act, the Administrator shall submit
8	to Congress a report describing—
9	(1) the results of the study conducted under
10	subsection (a);
11	(2) 1 or more prospective nationwide recycling
12	programs, including—
13	(A) a cost-benefit analysis of each pro-
14	gram, including—
15	(i) the cost of the program to—
16	(I) consumers;
17	(II) manufacturers;
18	(III) retailers; and
19	(IV) recyclers; and
20	(ii) the estimated overhead and ad-
21	ministrative expenses of carrying out and
22	monitoring the program; and
23	(B) the quantity of display screens and
24	system units projected to be recycled under the
25	program;

1	(3)(A) the benefits of establishing a nationwide
2	take-back provision that would require, as part of
3	the program, all manufacturers of display screens or
4	system units for sale in the United States to collect
5	and recycle, or arrange for the recycling of, display
6	screens and system units; and
7	(B) a projection of the quantity of display
8	screens and system units that would be recycled an-
9	nually under a nationwide take-back provision;
10	(4)(A) any emerging electronic waste streams
11	such as—
12	(i) cellular telephones; and
13	(ii) personal digital assistants; and
14	(B) a cost-benefit analysis of including ar
15	emerging electronic waste stream in a national recy-
16	cling program; and
17	(5) the progress of the Administrator in car-
18	rying out section 6, including—
19	(A) information on enforcement of the pro-
20	hibition; and
21	(B) any increase in recycling as a result of
22	the prohibition.